Organics Earning Respect on Taiwan

By Welly Liu-Chen and Jeff Miller

aiwan residents consumed an estimated \$49 million in organic products in 2003. Although this is a 75-percent increase over 1999, it is relatively small in per capita terms—\$2.17. The low consumption, however, points to significant room for growth in this niche market. More affluent consumers, interested in health and environmental issues, also bode well for continuing upward demand.

Taiwan grows about 40 percent of the organic foods it consumes, consisting mostly of rice, tea, fresh fruits and vegetables.

Other organic products sold on the island tend to be imported, processed items. Major suppliers include Germany, the United States, France, Australia and Italy. Almost all organic nuts, dried fruits, juices, cooking oils, seeds, beans, grains and food supplements are imported.

Taiwan Certification Revamped

Because of past nebulous definitions of what constitutes an organic product, Taiwan consumers have been somewhat skeptical about "certified organic" products grown at home.

To help instill public confidence and resolve confusion about the validity of organic claims for domestic products, Taiwan's Council of Agriculture revised the island's National Organic Standard last year.

The revisions incorporate internationally accepted standards and tighten guidelines for domestic organic farmers. They not only clarify the domestic use of organic claims and labels, but confer an authenticity that had been lacking. Also planned is the creation of a national certification seal that replaces multiple private seals.

The new certification requirements along with the new seal are prompting more producers to invest in organic production. The trend toward organic crops also aids an ongoing initiative by the Taiwan government to encourage sustainable agricultural practices to replenish the island's cropland.

The standards distinguish between "organic" and "adjusted organic" categories of crops. The adjusted category applies primarily to perennial crops such as fruits and tea, and allows limited use of chemical fertilizers and pesticides at specific times of the year.

No Special Import Requirements

Taiwan currently accepts other countries' organic certification labels and requires no domestic recertification before a product is marketed and sold on the island.

However, the Department of Health's Food Sanitation Bureau must approve health or nutritive benefit claims for any food (including organic) prior to sale.

Though Taiwan does not apply specific requirements for imports designated as "organic," these products must follow the same inspection and quarantine rules that apply to non-organic products.

Fresh fruits and vegetables must meet all phytosanitary and pesticide residue standards. They are subject to pesticide residue inspection by the Bureau of Animal and Plant Health Inspection and Quarantine.

Meat and fishery products are also subject to inspection to verify adherence

to Taiwan's sanitary requirements. Processed foods must follow specific labeling and food additive requirements.

Since import requirements change often, U.S. exporters should contact Taiwan importers directly to ensure that product specifications and labels meet current requirements.

Exporters of branded organic foods are encouraged to register their trademarks with Taiwan's trademark and patent authorities.

Best Entry Strategies

As Taiwan's consumers read product labels carefully, it is very important to provide clear details on ingredients and manufacture and expiration dates.

U.S. producers should emphasize the safety and high quality of their products, and clearly state that they meet the U.S. national organic standard and are certified by USDA.

Organic foods are sold primarily through health food, organic and specialty stores. Some supermarkets have organic sections. Wet markets seldom carry certified organic products, but informally designated "organic" produce and eggs are offered by some vendors.

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